

ENROLLMENT OPTIONS FOR SSI-MEDICAID MANAGED CARE IN DANE COUNTY

Issue:

The Advisory Committee needs to recommend to the Department's Steering Committee one of following three options for method of enrollment into the Dane County SSI Managed Care Program:

1. Voluntary Enrollment
2. Universal Enrollment
3. All In/Opt Out Enrollment

Background:

Currently, the Department of Health and Family services (DHFS) administers a voluntary managed care program called Independent Care (iCare) for SSI Medicaid disabled and elderly adults residing in Milwaukee County. iCare serves approximately 6,100 of the nearly 30,600 SSI-Medicaid disabled and elderly adults in Milwaukee County. The Department is planning on expanding SSI Managed Care not only in Milwaukee County, but in Dane County also. There are approximately 6,000 SSI eligible adults in Dane County. This paper focuses on what enrollment process will be used in Dane County.

Partners involved in the Dane County initiative include Dane County Human Services Department, the Community Living Alliance, the Dane County Mental Health Center, and the State. There has been discussion within the Department about the most effective way to enroll SSI-Medicaid disabled and elderly adults into managed care. Should the Department enroll potential enrollees on a voluntary basis or move toward a universal approach? The three options mentioned above have been discussed with regard to the following questions:

- How will potential enrollees be adequately informed of their health care choices?
- Will informing practices satisfy Federal rules placed on managed care enrollment?
- How would the enrollment approach impact the MCO's capacity?
- What are the implications in terms of health care outcomes?

Embedded in the question of what is the optimal method of enrollment is what method protects the potential member's right to expect a reasonable degree of choice, and allows the MCO to achieve a reasonable critical mass of membership. The issue of enrollment is, and will continue to be, a significant matter requiring consideration by providers, consumers, advocacy groups and the Department.

Options To Consider

Option 1: Voluntary Enrollment

Permit all eligible SSI-Medicaid adults to voluntarily enroll in managed care, and disenroll at any time.

Features:

- The potential enrollee will be given an MCO information packet.
- No action will be taken by the Department to enroll a person in managed care until the potential enrollee requests to be enrolled.
- Enrollees may disenroll for any reason at anytime and return to Medicaid fee-for-service (FFS).
- Enrollment and disenrollment actions become effective the first of the month.
- A variation of the option would allow the enrollee to have 90 days to disenroll into FFS, after which time the enrollee would be committed to have required membership in the MCO for up to 9 months.
- Details regarding who will actually do the enrollment and associated choice counseling will need to be decided.

Option 2: Universal Enrollment

Enroll all SSI-Medicaid adults into managed care strictly on a universal basis. This process could be implemented following a phase of voluntary enrollment, or an all in/opt out phase, or it could be implemented at the start-up of the program with an approved State Plan Amendment.

Features:

- Every eligible person will be given an MCO information packet.
- Eligible persons will be provided with the necessary information, and informed of their enrollment in managed care.
- All eligible SSI-Medicaid adults will be assigned to the MCO through a ramp-up (a predetermined enrollment per month based on what the MCO can handle) enrollment process.
- Federal regulation requires that Medicaid recipients have a choice of at least two entities for universal enrollment, or
 - ✓ Receive a waiver under either Sections 1915 or 1115 of the Social Security Act.
- In rural areas of the state universal enrollment with only one entity participating is allowed if multiple conditions are met including:
 - ✓ Recipients can choose from at least two physicians and case managers and are allowed to obtain services from any other provider under any of the following circumstances:
 - The type of services, training, experiences and specialization is not available in the network.

- The provider is not part of the network, but is a main source of services to the recipient.
- Broad criteria identify multiple situations requiring approval of out of plan care services.
- Other requirements that are equally difficult to satisfy, make the one plan universal option extremely problematic to implement.

Option 3: All In/Opt Out Enrollment

SSI-Medicaid adults would be required to enroll in the Dane County Managed Care Initiative for a minimum of one month. After the one-month enrollment trial period, the enrollee may opt out and return to FFS. A variation of this option would allow a longer period in which to enroll. If the enrollee does not opt out after one month, the enrollee would be locked into the managed care program for eleven months.

Features:

- Every eligible person will be given an MCO information packet.
- All eligible persons will be provided with the necessary information and apprised of their enrollment in managed care.
- All eligible Medicaid SSI adults will be assigned to the MCO through a ramp-up enrollment process.
- After a predetermined period of time (between 30 and 90 days) enrollment the enrollee can return to FFS.
- After the initial enrollment period, the enrollee will have required membership in the MCO for an additional period of time.
- Federal regulation requires that Medicaid recipients have a choice of at least two entities for universal enrollment, or
 - ✓ Receive a waiver under either Sections 1915 or 1115 of the Social Security Act.
- In rural areas of the state universal enrollment with only one entity participating is allowed if multiple conditions are met including:
 - ✓ Recipients can choose from at least two physicians and case managers and are allowed to obtain services from any other provider under any of the following circumstances:
 - The type of services, training, experiences and specialization is not available in the network.
 - The provider is not part of the network, but is a main source of services to the recipient.
- Broad criteria identify multiple situations requiring approval of out of plan care services.
- Other requirements that are equally difficult to satisfy, make the one plan universal option extremely problematic to implement.
- Another possibility includes allowing persons to opt out at any time, with no required length of MCO membership. This would not require a waiver and could be accomplished with a Medicaid State Plan Amendment.

Discussion

Option 1: Voluntary Enrollment

Pros:

- Approval by CMS is not necessary.
- Provides adequate time for the potential enrollee to make an informed decision about whether to enroll in managed care.
- Assures continuity of care can be maintained between the enrollee and provider. This may have a positive impact on health care outcomes.
- Process is the same as the current one used in iCare which, to date, has been acceptable to local advocacy groups. It will require minimal systems work.
- Provides enrollees the choice of enrolling in managed care or remaining in FFS.

Cons:

- Enrollees less likely to enroll in managed care on a trial basis in order to experience the potential benefits.
- Less cost-effective for the MCO because of the possibility of large fluctuations in the number of covered members.
- Slow ramp up enrollment.
- Less likely to achieve any meaningful savings.
- May result in adverse selection for the plan.

Option 2: Universal Enrollment

Pros:

- Enrollees are required to enroll in managed care in order to experience the potential benefits.
- Maximizes enrollment for the MCOs, which increases the cost-effectiveness of risk-based contracting.
- Avoids adverse selection to both the MCO and the State.
- Increases access to services.

Cons:

- Requires approval of a waiver by CMS.
- Will require continuity of care assurances to avoid a negative impact on health care outcomes.
- Process is more restrictive than the others and may seem less desirable to advocates and consumers.
- Would require significant systems work.

- Has the potential to increase administrative issues if recipients are not adequately informed of the process.

Option 3: All In/Opt Out

Pros

- Maximizes enrollment for the MCOs, which increases the cost-effectiveness of risk-based contracting.
- Enrollees have the opportunity to experience the benefits of a managed care organization and maintain their freedom to opt out if they choose.
- Provides a balance between risk to the MCO and flexibility of enrollment for enrollees.
- Reduces the potential for adverse selection to both the MCO and the State.

Cons:

- Requires approval of a waiver or State Plan Amendment by CMS depending on the how often and when an enrollee may choose to return to fee-for-service.
- Process is more restrictive than the current one used in iCare and therefore may not seem acceptable to local advocacy groups.
- Requires monitoring of enrollee enrollment and disenrollment to identify why persons chose to opt out.

Recommendation

The Department recommends the All In/Opt Out enrollment option. Providers, consumers and advocacy groups have expressed concern about universal enrollment of SSI-Medicaid disabled. The All In/Opt Out enrollment option allows for consumer choice, but also increases membership to a viable level for the MCO. With appropriate consumer safeguards in place, including the opportunity to opt out of enrollment during the open enrollment period and an inclusive provider network, consumers will be assured continuity of care. This option provides the optimal solution for balancing the right of the individual to choose between fee-for-service and managed care, while allowing the MCO to acquire enough enrollees for an economy of scale. Reaching a critical mass of number of enrollees allows the MCO to effectively manage risk and support the infrastructure to offer the best possible care and services.